

**Wednesday, April 23, 2003**

The Board met at its offices at 450 N Street, Sacramento, at 9:50 a.m., with Mr. Parrish, Vice Chairman, Mr. Leonard, Mr. Chiang and Mr. Westly present.

## **SPECIAL PRESENTATIONS**

### **SUSTAINED SUPERIOR ACCOMPLISHMENT AWARD PROGRAM**

James Speed, Executive Director, and Members of the Board presented October 1, 2000 – September 30, 2002 Sustained Superior Accomplishment Awards to the following-listed employees in recognition of their outstanding achievements:

#### **Individual Awards**

Larry Isbell  
Cindy M. Wilson  
Betty J. Taylor  
Patricia A. Langstaff  
Laura Clarke  
Sharon P. Jarvis  
Reed Schreiter  
Wynne Gregory Day

Jeffrey H. Graybill  
Benjamin Tang  
Patrick J. Finnegan  
Maria C. Jones  
Kelley Clark  
Stephanie L. Kimball  
Bertha Lopez  
Nini McCormack

MaryAnn G. Hay  
Remona A. Dodson  
William Insalaco  
Timothy J. Munz  
Denise Vargas  
Lisa Gonzalez

#### **Group Award**

##### ***EBOE Web Support Team***

Paul Babcock

Julie Doring

Patrick Lawson

##### ***Service Desk Team***

Jennie Flynn  
Sherrill Neidich

Lisa Jensen  
Cheryl Emmanuel

Evelyn Harriman  
Irving Buford

## **ANNOUNCEMENT OF CLOSED SESSION**

The Board recessed at 10:00 a.m. and reconvened immediately in closed session with Mr. Parrish, Mr. Leonard, Mr. Chiang and Mr. Westly present.

## **CLOSED SESSION**

The Board met to discuss settlements (Revenue and Taxation Code sections 7093.5, 7093.5(b)(3), 30459.1 and 50156.11) and personnel matters (Govt. Code § 11126 (a)).

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The Board recessed at 11:00 a.m. and reconvened immediately in open session with Mr. Parrish, Mr. Leonard and Mr. Chiang present, Ms. Mandel present on behalf of Mr. Westly in accordance with Government Code section 7.9, Ms. Betty Yee, was present and observing on behalf of Ms. Migden.

### **LOCAL TAX REALLOCATION HEARING**

City of Laguna Hills, 203006

7-1-94 to 12-31-98, \$1,635,245.00

For Petitioner:

Douglas R. Boyd, Attorney

L. Allan Songstad, Jr., Laguna Hills Mayor

Bruce E. Channing, Laguna Hills City Manager

For Opposing Cities:

Albin C. Koch, General Counsel, MBIA

MuniServices/MRC

Robert Cendejas, Counsel for the City of Ontario

For Sales and Use Tax Department: John Waid, Tax Counsel

Issues: Whether Fuel Services created a place of business in the City of Laguna Hills when it authorized an employee of its customer, Delivery Company, to sign a jet-fuel sales contract between itself and Delivery Company on Fuel Services' behalf at the Delivery Company office in Laguna Hills.

Whether the Department improperly allowed the City of Ontario to pursue its appeal of a redistribution to Laguna Hills proposed April 12, 1996 but executed on May 14, 1996.

Whether the Department is required to reallocate local taxes pursuant to Revenue and Taxation Code section 7209, and if not, whether it is appropriate to do so in this case.

Action: Upon motion of Ms. Mandel, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard and Ms. Mandel voting yes, Ms. Migden absent and Mr. Chiang not participating, the Board ordered that the petition be submitted for decision.

### **SALES AND USE TAX APPEALS HEARINGS**

Hector Gonzalez and Margarita Gonzalez, 89000017380

11-1-94 to 12-31-97, \$59,705.18 Tax, \$5,970.50 Negligence Penalty

Hector Antero Gonzalez, 89000127920, 89002433640, 89000116100

1-1-94 to 12-31-97, \$703,061 Tax, \$5,800.29 Negligence Penalty

4-1-96 to 12-31-97, \$22,669.00 Tax, \$175.70 Negligence Penalty

1-1-94 to 12-31-97, \$211,035.00 Tax, \$1,741.07 Negligence Penalty

Hector Gonzalez and Margarita Gonzalez, 89000110980, 89002390640

1-1-94 to 12-31-97, \$606,956.00 Tax, \$5,007.46 Negligence Penalty

10-1-95 to 6-30-97, \$34,964.00 Tax, \$288.48 Negligence Penalty

Hector Gonzalez, Margarita Gonzalez and Jaime De Jesus, 89000131070

1-1-94 to 12-31-97, \$166,650.00 Tax, \$1,374.89 Negligence Penalty

For Petitioner: Charles Nagel, Attorney

For Sales and Use Tax Department: Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues in the petition of 89000017380

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Issues: Whether the audited unreported taxable sales are excessive.  
Whether the negligence penalty is properly imposed.

Issues in the other six petitions:

Issues: Whether audited taxable sales were excessive.  
Whether the negligence penalties are properly imposed.

Action: Upon motion of Ms. Mandel, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent the Board ordered that the petition be redetermined in accordance with the revised recommendation of the Appeals Division.

**Jerair Panosian, 165681**

7-1-91 to 6-30-94, \$418,621.39 Claim for Refund

7-1-91 to 5-8-97, \$79,498.10 Claim for Refund

For Claimant: Jerair Panosian, Prior Owner  
Emil Pollak, Representative

For Sales and Use Tax Department: Bruce Emard, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether there is any basis for claimant to obtain a refund or a waiver of the debt recorded against claimant for the period in question.

Action: Upon motion of Mr. Chiang, seconded by Ms. Mandel and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be submitted for decision.

**Dmitri A. and Svetlana M. Laktionov, 119099**

11-1-95 to 12-31-00, \$14,354.51 Tax, \$00.00 Failure to File Penalty

For Petitioner: Dmitri Laktionov  
Svetlana Laktionov

For Sales and Use Tax Department: Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether petitioner was engaged in business in California, and therefore subject to use tax collection liability.

Whether petitioner is entitled to further adjustments on the disallowed claimed sales for resale and for fabrication labor.

Action: Upon motion of Ms. Mandel, seconded by Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be denied and redetermined as recommended by the Appeals Division. The Board directed staff to offer petitioner a generous payment plan and to inform the petitioner of the Offer in Compromise Program.

The Board recessed at 12:10 p.m. and reconvened at 1:30 p.m. with Ms. Migden, Mr. Parrish, Mr. Leonard and Ms. Mandel present.

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**MEMBER COMMENT**

Ms. Migden expressed her thanks to everyone for their condolences, flowers, outreach for her family's recent loss.

**SALES AND USE TAX APPEALS HEARINGS**

Barnes & Noble.com, 89872

11-15-99 to 3-31-00, \$1,128,721.89 Tax, \$00.00 Failure to File Penalty

For Petitioner: David W. Bertoni, Attorney

For Sales and Use Tax Department: Randy Ferris, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: No disqualifying contributions were disclosed.

Issue: Whether petitioner's allegation that it did not distribute coupons in California during the first quarter of 2000 warrants a reduction in the tax.

Action: Upon motion of Mr. Parrish, seconded by Ms. Mandel and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the failure to file penalty be canceled.

Upon motion of Ms. Mandel, seconded by Mr. Chiang and duly carried, Ms. Migden, Mr. Chiang and Ms. Mandel voting yes, Mr. Parrish and Mr. Leonard voting no, the Board directed staff to conduct a full nexus investigation and the Board expects the petitioner's full cooperation.

Upon motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered the Business Taxes Committee to take up the policy question of the appropriate length of time, if there is one, that the use tax obligation remains after nexus-creating activities have ceased. And in connection with that, at the first interested parties meeting, staff is to present a survey of how this question is addressed in other states.

Upon motion of Ms. Mandel, seconded by Mr. Parrish and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that nexus for this hearing be based on the facts before the Board in this case ending January 31, 2000.

**CHIEF COUNSEL MATTERS****RULEMAKING**

Kristine Cazadd, Assistant Chief, Property Tax Section, Legal Division, made introductory remarks regarding petition to amend Property Tax Rules, 462.040, Change in Ownership-Joint Tenancies and 462.240, The Following Transfers do not Constitute a Change in Ownership.

Speakers: Joan Thayer, President of the California Assessors' Association  
Larry Stone, Assessor, Santa Clara County  
Tom Bordonaro, Assessor, San Luis Obispo County

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Rick Auerbach, Assessor, Los Angeles County  
Sam Catalano, Treasurer, Stonewall Democratic Club of Greater Sacramento  
Courtney Joslin, Staff Attorney, National Center for Lesbian Rights  
Ilona Turner, Legislative Advocate, California Alliance for Pride and Equality  
Ellen Pontac, Co-Chair, MECA Sacramento/Yolo Chapter  
Shelly Bailes, MECA Sacramento/Yolo Chapter  
Kinna Patel, Co-Chair, MECA Sacramento/Yolo Chapter

Ms. Pellegrini stated for the record that the Board had received over 50 letters of support from constitutional officers, organizations, State Senators and Assemblymen, as well as local officials. Ms. Migden ordered the letters be entered into the official record. (Exhibit 4.1)

Upon motion of Ms. Mandel, seconded by Mr. Chiang and duly carried, Ms. Migden, Mr. Chiang and Ms. Mandel voting yes, Mr. Parrish and Mr. Leonard voting no, the Board authorized the publication of Property Tax Rules, 462.040, Change in Ownership-Joint Tenancies and 462.240, The Following Transfers do not Constitute a Change in Ownership.

Exhibits to these minutes are incorporated by reference.

### **ANNOUNCEMENT OF CLOSED SESSION**

The Board recessed at 3:20 p.m. and reconvened immediately in closed session with Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel present.

### **CLOSED SESSION**

The Board met to discuss personnel matters (Govt. Code § 11126 (a)).

The Board recessed at 3:25 p.m. and reconvened immediately in open session with Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel present.

James Speed, Executive Director, announced the appointment of Raye Zentner to the position of Deputy Director, Administration Department.

### **SPECIAL TAXES APPEALS HEARINGS**

Amador Stage Lines, 93966, 102005

4-1-97 to 12-31-99, \$109,214.52 Tax, \$9,097.60 Negligence Penalty

For Petitioner:

Eric Miethke, Representative

Bill Allen, President

For Property and Special Taxes Department:

M. Judith Nelson, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: No disqualifying contributions were disclosed.

Issues: Whether Revenue and Taxation Code section 60039, subdivision (b), disqualifies petitioner from exemption from tax under Revenue and Taxation Code section 60039,

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subdivisions (a)(2) and (a)(3) with respect to petitioner's contracts with (1) Amtrak, which, in turn, was under contract with the California Department of Transportation, and (2) the California Department of General Services.

Whether the negligence penalty should be abated.

Action: Ms. Mandel moved to submit the petition for decision. Mr. Parrish offered a substitute motion to cancel the negligence penalty. The motion was seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent.

Mr. Parrish moved to grant the petition with regards to the CalTrans contract. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang and Ms. Mandel voting no, Ms. Migden absent.

Mr. Parrish moved to grant the petition with regards to the General Services contract. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang and Ms. Mandel voting no, Ms. Migden absent.

Upon motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be submitted for decision.

#### **Bio Industries, Inc., 170456**

1-1-00 to 12-31-00, \$29,450.00 Fee, \$2,945.00 Failure to File Penalty

For Petitioner:

Ben Sale, President

Wayne Pasco, Operations Manager

For Department of Toxic Substances Control: Dennis Mahoney, Staff Counsel

For Property and Special Taxes Department: M. Judith Nelson, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether petitioner is the generator of hazardous waste and is, thus, subject to the fee imposed upon generators of hazardous waste under the Hazardous Waste Fee Law and the Hazardous Substances Tax for the year 2000.

Whether relief from the 10 percent penalty for failure to file a return should be granted.

Whether petitioner should be relieved from interest.

Action: Upon motion of Mr. Chiang, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the failure to file penalty be cancelled.

Upon motion of Mr. Chiang, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be submitted for decision.

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## SALES AND USE TAX APPEALS HEARINGS

Vibrac Corporation, 139106

11-1-95 to 12-31-00, \$14,354.51 Tax, \$00.00 Failure to File Penalty

For Petitioner: Appearance Waived

For Sales and Use Tax Department: Warren L. Astleford, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: No contribution disclosure forms were filed.

Issues: Whether petitioner was engaged in business in California, and therefore subject to use tax collection liability.

Whether petitioner is entitled to further adjustments on the disallowed claimed sales for resale and for fabrication labor.

Action: Upon motion of Mr. Chiang, seconded by Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be redetermined in accordance with the revised recommendation of the Appeals Division.

## FINAL ACTION ON PETITIONS HEARD APRIL 23, 2003

Upon motion of Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard, and Ms. Mandel voting yes, Mr. Chiang not participating, Ms. Migden absent, the Board ordered that the petition of *City of Laguna Hills, 203006*, be submitted for decision, and be brought back at the May 6, 2003 Board meeting.

Upon motion of Mr. Leonard, seconded by Mr. Chiang and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition of *Jerair Panosian, 165681*, be denied and redetermined as recommended by the Appeals Division.

Upon motion of Mr. Chiang, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition of *Bio Industries, Inc., 170456*, be denied and redetermined as recommended by the Appeals Division.

## PUBLIC HEARINGS

### State Assessee Presentations on the Valuation of their Properties

Speakers: Peter W. Michaels, Attorney, Cooper, White & Cooper, representing various State assessee companies

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**Proposed Amendment to Sales and Use Tax Regulation 1592, Eyeglasses and Other Ophthalmic Materials**

Janice Thurston, Assistant Chief Counsel, Legal Division, stated for the record Regulation 1592, Eyeglasses and Other Ophthalmic Materials is proposed to be amended to interpret, implement and make specific Revenue and Taxation Code section 6018. Amendments are proposed to subdivisions (a)(4) and (b)(3) to clarify when physicians and surgeons, optometrists, and dispensing opticians make taxable retail sales of clip-on sunglasses; and to subdivisions (a), (b) and (d) to correct typographical errors.

Speakers: Speakers were invited to address the Board, but there were none.

Action: Upon motion of Ms. Mandel, seconded by Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board adopted *Sales and Use Tax Regulation 1592, Eyeglasses and Other Ophthalmic Materials*, as published (Exhibit 4.2).

**ADMINISTRATIVE SESSION****PROPOSED CONTRACTS OVER \$1 MILLION**

Dade Powers, Acting Deputy Director, Administration Department, reported that the items before the Board are 2002-03 contracts that require Board Member approval prior to being established (Exhibit 4.3).

Action: Upon motion of Mr. Parrish, seconded by Ms. Mandel and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board approved the contract for the Stephen P. Teale Data Center for one year only.

The Board deferred consideration of the remaining items to the May 6, 2003, San Diego meeting.

Speakers: Perry Kenny, CSEA, President  
Ed J. Mireles, CSEA, Bargaining Manager

Mr. Kenny provided to the Board a proposal with regards to the unarmed security guard services for the Headquarters building (Exhibit 4.4).

**OFFERS IN COMPROMISE RECOMMENDATIONS**

Upon motion of Mr. Leonard, seconded by Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board approved the *Offers in Compromise of Kelly R. Beremand*.



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**ADMINISTRATIVE MATTERS, CONSENT**

With respect to the Administrative Matters, Consent Agenda, upon a single motion of Mr. Chiang, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board made the following orders:

Action: Approve the Board Meeting Minutes of March 4-5, 2003.

Action: Approve Superior Accomplishment Award Nominees.

Action: Approve the proposed revisions to Compliance Policy and Procedures Manual Chapter 3, Account Maintenance and Chapter 9, Miscellaneous (Exhibit 4.5).

**BOARD COMMITTEE REPORTS**

**Business Taxes Committee**

Upon motion of Mr. Parrish, seconded by Mr. Chiang and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board approved the Business Taxes Committee report (Exhibit 4.6).

**Property Tax Committee**

Upon motion of Mr. Chiang, seconded by Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board approved the Property Tax Committee report (Exhibit 4.7).

**LEGAL APPEALS MATTERS, ADJUDICATORY**

Costco Wholesale Membership Company, 132058

12-25-00 to 3-18-01, \$10,000.00 Claim for Refund

Considered by the Board: March 26, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Mr. Parrish, seconded by Ms. Mandel and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered to grant the petition for rehearing.

Charles F. Guzy, 145187

7-1-98 to 6-30-01, \$6,309.72 Tax, \$630.98 Negligence Penalty

Considered by the Board: Hearing Notice Sent – No Response

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

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Action: Upon motion of Mr. Parrish, seconded by Mr. Leonard and duly carried, Mr. Parrish and Mr. Leonard voting yes, Ms. Mandel voting no, Mr. Chiang not participating, Ms. Migden absent, the Board ordered that the penalty be canceled, otherwise redetermined as recommended by the Appeals Division.

**Frankie Renee Rios, 117109**

7-1-97 to 9-30-00, \$50,864.44 Tax, \$5,086.40 Negligence Penalty

Considered by the Board: Hearing Notice Sent – No Response

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Mr. Parrish, seconded by Mr. Chiang and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be denied and redetermined as recommended by the Appeals Division.

**Susan Buck, 142125**

8-28-96 to 12-31-00, \$00.00 Tax, \$1,936.78 Operating Without a Permit Penalty, \$392.75 Failure to File Penalty, \$5,337.27 Fraud Penalty

Considered by the Board: Hearing Notice Sent – Appearance Waived

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Mr. Parrish moved to reduce the fraud penalty to negligence. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang and Ms. Mandel voting no, Ms. Migden absent.

Upon motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Mr. Parrish abstaining, Ms. Migden absent, the Board ordered that the petition be denied and redetermined as recommended by the Appeals Division.

**Tahoe Vista Sports, Inc., 142835**

7-1-98 to 3-31-01, \$12,728.75 Tax

Considered by the Board: Hearing Notice Sent – Hearing Request Withdrawn

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: The Board deferred consideration of this matter.

**Restorative Care of America, Inc., 127824**

1-1-95 to 12-31-99, \$00.00 Tax

Considered by the Board: March 4, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Mr. Parrish, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be denied and redetermined as recommended by the Appeals Division.

**Valor Computerized Systems, Inc., 87726, 140629**

7-1-97 to 6-30-00, \$167,084.35 Tax

6-12-98 to 9-30-99, \$13,090.52 Claim for Refund

Considered by the Board: March 4, 2003

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Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Mr. Parrish moved to treat each transaction as a nontaxable transfer of software and a taxable sale of a dongle at a rate of \$48.36. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang and Ms. Mandel voting no, Ms. Migden absent.

The Board ordered the matter be deferred to the next Sacramento Board meeting.

**CORPORATE FRANCHISE AND PERSONAL INCOME TAX MATTERS,  
ADJUDICATORY**

**Daycare/Children's Creative World, 165468**

1998, \$821.04 Claim for Refund

Considered by the Board: March 4, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Mr. Parrish, seconded by Mr. Leonard and unanimously carried, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang abstaining, Ms. Mandel not participating, Ms. Migden absent, the Board adopted a decision sustaining the action of the Franchise Tax Board and directed staff to send a letter to the California Victim Compensation and Government Claims Board recommending favorable consideration of the request for relief filed by the taxpayer.

**James P. and Carey C. Haughy, 160710**

1997, \$4,925.00 Claim for Refund

Considered by the Board: March 4, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Mr. Parrish moved to sustain the action of the Franchise Tax Board. The motion was seconded by Ms. Mandel. Mr. Leonard made a substitute motion that the interest on the refund would only accrue 30 days after the taxpayer had been notified that the refund was erroneous and the dollars were due back to the Franchise Tax Board. The motion was seconded by Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard and Mr. Chiang voting yes, Ms. Mandel abstaining, Ms. Migden absent.

**The Landover Company, 172440**

12-21-91, \$1,612.25

12-31-92, \$1,528.42

12-31-93, \$252.91

10-31-94, \$278.02

10-29-95, \$3,724.41

10-27-96, \$2,903.17

10-26-97, \$950.02

Considered by the Board: March 4, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

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Action: Mr. Parrish moved to cancel the late filing fee otherwise sustain the action of the Franchise Tax Board. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang and Ms. Mandel voting no, Ms. Migden absent.

The Board deferred consideration of this matter to the next Sacramento Board meeting.

**Dale McRaven, 166385**

1982, \$15,198.00 Assessment

Considered by the Board: March 4, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Mr. Leonard moved to reverse the action of the Franchise Tax Board. The motion was seconded by Mr. Parrish but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang and Ms. Mandel voting no, Ms. Migden absent.

The Board deferred consideration of this matter to the next Sacramento Board meeting.

**Thomas C. Norman, 173676**

1997, \$2,765.59 Claim for Refund

Considered by the Board: March 36, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Mr. Leonard moved that the interest on the refund would only accrue 30 days after the taxpayer had been notified that the refund was erroneous and the dollars were due back to the Franchise Tax Board. Ms. Mandel made a substitute motion to sustain the action of the Franchise Tax Board. The motion was seconded by Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Chiang and Ms. Mandel voting yes, Mr. Leonard abstaining, Ms. Migden absent.

**Bruce M. and Rebecca O'Bannon, 172422**

1998, \$1.00 or more Assessment

Considered by the Board: April 23, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Mr. Parrish moved to sustain the action of the Franchise Tax Board. Mr. Leonard made a substitute motion that the interest on the refund would only accrue 30 days after the taxpayer had been notified that the refund was erroneous and the dollars were due back to the Franchise Tax Board. The motion was seconded by Mr. Parrish and duly carried, Mr. Parrish and Mr. Leonard voting yes, Ms. Mandel voting no, Mr. Chiang abstaining, Ms. Migden absent.

**Shelley Resnik, 162085**

1999, \$1.00 or more Claim for Refund

Considered by the Board: March 4, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Mr. Parrish, seconded by Mr. Chiang and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board adopted a decision reversing the action of the Franchise Tax Board.

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Carl E. and Mary Ann Berg, 154075

Clyde J. Berg, 154076

1995, \$206,317.00 Assessment

1995, \$206,318.00 Assessment

Considered by the Board: December 19, 2002

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Mr. Parrish, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board adopted a decision denying petition for rehearing.

Robert M. and Lois F. Ling, 133712

1989, \$72,471.00 Assessment, \$17,591.00 Late Filing Penalty

Considered by the Board: March 4, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Ms. Mandel, seconded by Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board adopted a decision granting the petition for rehearing.

### **SALES AND USE TAX MATTERS, REFUNDS, ADJUDICATORY**

Nissan Motor Acceptance Corporation, 93045

7-1-97 to 3-31-02, \$2,767,248.79

Considered by the Board: March 26, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden and Mr. Parrish absent, the Board approved the refund as recommended by staff.

### **LEGAL APPEALS MATTERS, CONSENT**

The Board deferred consideration of the following matters: *L.A. Mattress, Inc., 129840, JKS Industries, Inc., 156586 and Melissa J. Stripling, 162545.*

With respect to the Legal Appeals Matters Consent Agenda, upon a single motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden and Mr. Parrish absent, the Board made the following orders:

L.A. Mattress, Inc., 129840

1-1-97 to 12-31-99, \$41,991.03 Tax, \$4,199.11 Negligence Penalty

Action: The Board deferred consideration of this matter.

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Hansa Singh Bhat and Amandeep Singh Bhatt, 160724, 156823

9-16-96 to 6-30-99, \$00.00 Tax, \$3,365.06 Penalty

9-16-96 to 6-30-99, \$3,365.06 Claim for Refund

Action: Redetermine as recommended by the Appeals Division.

JKS Industries, Inc., 156586

4-1-98 to 12-31-00, \$6,345.12 Tax

Action: The Board deferred consideration of this matter.

Centre City Capital, Inc., 53121

10-1-96 to 12-31-99, \$1.00 or more Tax

Action: Redetermine as recommended by the Appeals Division.

Melissa J. Stripling, 162545

1-1-98 to 12-31-00, \$2,117.22 Tax, \$647.23 Negligence Penalty

Action: The Board deferred consideration of this matter.

Young Chul Kim and Seung Kim, 209238

November 7, 2002 Notice of Seizure and Forfeiture

Action: Determined the staff properly seized the cigarettes.

Yacoub Naif Diab, 209155

November 5, 2002 Notice of Seizure and Forfeiture

Action: Determined the staff properly seized the cigarettes.

Zafar Uddin Ahmed, 207396

November 4, 2002 Notice of Seizure and Forfeiture

Action: Determined the staff properly seized the cigarettes.

Bashir Ahamed, 213206

January 23, 2003 Notice of Seizure and Forfeiture

Action: Determined the staff properly seized the cigarettes.

**CORPORATE FRANCHISE AND PERSONAL INCOME TAX MATTERS, CONSENT**

The Board deferred consideration of the following matters: *Richard Gallovich, 174619, David and Cindy Galvez, 171221, Mary B. Livingston (Deceased), 183225, Christopher and Lupe McDonald, 183393, and Jesus Parrilla, 181466.*

With respect to the Corporate Franchise and Personal Income Tax Matters Consent Agenda, upon a single motion of Mr. Leonard, seconded by Ms. Mandel and unanimously carried, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden and Mr. Parrish absent, the Board made the following orders:

**Wednesday, April 23, 2003**

**George S. Aguilar, 171030**

1989, \$360.44 Assessment

Action: Sustain the action of the Franchise Tax Board.

**Jerry J. Couchman, 173715**

1999, \$2,133.00 Tax, \$533.25 Delinquent Return Penalty

Action: Sustain the action of the Franchise Tax Board and impose a \$1,000 frivolous appeal penalty.

**Donna M. Davis, 165736**

1999, \$942.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

**Marcus and Gisella Del Frate, 174602**

1997, \$2,662.83 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

**Louise A. De Tomasi, 187251**

1998, \$141.00 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

**Jill Feder-Kahlow, 182604**

1999, \$714.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

**Carol A. Freitas, 111252**

1985, \$832.18 Claim for Refund

1986, \$3,500.17 Claim for Refund

1987, \$4,038.87 Claim for Refund

1988, \$1,667.96 Claim for Refund

1989, \$2,094.50 Claim for Refund

1990, \$984.44 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

**Richard Gallovich, 174619**

1991, \$236.75 Late Filing Penalty

Action: The Board deferred consideration of this matter.

**David and Cindy Galvez, 171221**

1997, \$1.00 or more Assessment

Action: The Board deferred consideration of this matter.

Wednesday, April 23, 2003

Leonard and Geneva Garcia, 191238

1998, \$2,568.90 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Robert O. Garner, 188553

1991, \$1.00 or more Assessment

1992, \$1.00 or more Assessment

Action: Sustain the action of the Franchise Tax Board.

Perseveranda M. Goins, 169977

1999, \$669.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Leopold and Josephine Gonzales, 192642

1995, \$7,087.00 Assessment

1996, \$4,941.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Larry Level Griffin, 191244

1998, \$567.96 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Anh T. Ha, 166957

2000, \$999.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Lee S. Harris (Leland R. Schroeder), 161681

1984, \$758.29 Claim for Refund

1985, \$4,625.19 Assessment

1986, \$5,964.46 Assessment

Action: Sustain the action of the Franchise Tax Board.

Sherell F. Harrison-Benton, 190206

1999, \$395.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Charles L. and Marlene R. Hoffheiser, 173226

1998, \$3,202.38 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Loretta E. Holsome, 185654

1998, \$1.00 or more Assessment

Action: Sustain the action of the Franchise Tax Board.



**Wednesday, April 23, 2003**

**Julie Jewls Jin, 181662**

1999, \$661.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

**Harold H. and Maryln Kelley, 181678**

1999, \$229.90 Claim for Refund

2000, \$133.21 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

**James H. Kennedy, 181692**

1994, \$1.00 or more Assessment

Action: Sustain the action of the Franchise Tax Board.

**Darryl F. LaFountaine, 90044**

1993, \$1,289.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

**Mary B. Livingston (Deceased), 183225**

1996, \$21,458.24 Claim for Refund

Action: The Board deferred consideration of this matter.

**Christopher and Lupe McDonald, 183393**

1998, \$6,208.60 Claim for Refund

Action: The Board deferred consideration of this matter.

**Mark McNay, 174257**

1999, \$2,443.00 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

**Leslie Michaels, 184096**

1991, \$1,1527.11 Tax, \$2,043.00 Penalties, Claim for Refund

1992, \$66.00 Penalty, Claim for Refund

1993, \$778.50 Assessment

1995, \$1,628.50 Assessment

1996, \$10,294.29 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

**Jesus Parrilla, 181466**

1999, \$101.01 Claim for Refund

Action: The Board deferred consideration of this matter.

Wednesday, April 23, 2003

Colette Penchina (Deceased), 172131

1995, \$600.00 Claim for Refund

Claude and Meira Penchina, 172132

1995, \$783.00 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Alfredo V. and Karen Y. Perez, 183382

1997, \$944.83 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Carl B. Saitta, 174082

1996, \$1,255.67 Assessment

Action: Sustain the action of the Franchise Tax Board.

Score It, Inc., 169944

9-15-99, \$257.98 Claim for Refund

9-15-00, \$119.61 Claim for Refund

9-15-01, \$63.38 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Viney K. Singal, 164515

2000, \$3,553.17 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Dr. Gamal Tayab, 167964

1997, \$823.25 Claim for Refund

1998, \$2,633.00 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Lawrence Omar and Tamara Topping, 173138

1993, \$1.00 or more Assessment

1994, \$1.00 or more Assessment

Action: Sustain the action of the Franchise Tax Board.

Jill Watson, 174060

1999, \$927.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Thomas B. Allen, 144126

1986, \$14,366.00 Tax, \$1,456.50 Penalties

1987, \$3,471.00 Tax, \$876.55 Penalties

Action: Deny the petition for rehearing.

Wednesday, April 23, 2003

Colleen and Martin Pacheco, 169951

1998, \$1.00 or more

Action: Deny the petition for rehearing.

**HOMEOWNER AND RENTER PROPERTY TAX ASSISTANCE MATTERS, CONSENT**

With respect to the Homeowner and Renter Property Tax Assistance Matters Consent Agenda, upon a single motion of Mr. Leonard, seconded by Mr. Chiang and unanimously carried, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden and Mr. Parrish absent, the Board made the following orders:

Bountao Chanthavong, 191541

2002 \$217.50 Claim for Credit

Action: Reverse the action of the Franchise Tax Board.

Charles Douglas, 172900

2001, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Bernard English, 191377

2002, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Evelyn Ferreira, 192179

2002, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

C. L. Ford, 191384

2002, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Jose Guzman, 166410

2001, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Harriet Hall, 172914

2001, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Vickie Hives, 167617

2001, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Wednesday, April 23, 2003

Cheryal A. Honore, 183605

2001, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Gaynell N. Mann, 192846

2002, \$347.50 Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Carol Sue Mayfield, 184040

1999, \$1.00 or more Claim for Credit

2000, \$1.00 or more Claim for Credit

Action: Modified the action of the Franchise Tax Board.

Steve R. Monnin, 192857

2002, \$1.00 or more Claim for Credit

Action: Reverse the action of the Franchise Tax Board.

Nung Trong Nguyen, 191451

2002, \$290.00 Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Ruby Grace Murph Walker, 192850

2002, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Dexter L. Person, 188195

2002, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Paula E. Pfister, 174471

1998, \$1.00 or more Claim for Credit

1999, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Shayan Rahimimanesh, 191462

2002, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Ronald O'Neal Raleigh, 192774

2002, \$347.50 Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Wednesday, April 23, 2003

Elizabeth Selgert, 173482

1999, \$1.00 or more Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

Terri Williams, 186941

2000, \$240.00 Claim for Credit

Action: Sustain the action of the Franchise Tax Board.

William Baumhofer, 166396

1999, \$240.00 Claim for Credit

Action: Deny the petition for rehearing.

**SALES AND USE TAX MATTERS, REDETERMINATIONS, RELIEF OF PENALTIES  
AND DENIALS OF CLAIMS FOR REFUND, CONSENT**

The Board deferred consideration of the following matter: *Arco Material Supply Company, 168323.*

With respect to the Sales and Use Tax Matters, Redeterminations, Relief of Penalties and Denials of Claims for Refund, Consent Agenda, upon a single motion of Mr. Leonard, seconded by Mr. Chiang and unanimously carried, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden and Mr. Parrish absent, the Board made the following orders:

Arco Material Supply Company, 168323

4-1-94 to 12-31-97, \$627,096.35

Action: The Board deferred consideration of this matter.

US JVC Corporation, 181575

10-01-97 to 3-31-00, \$120,636.96

Action: Approve the redetermination as recommended by staff.

High Beam, Inc., 76252

1-1-96 to 12-31-98, \$74,708.53

Action: Approve the redetermination as recommended by staff.

Ogden Entertainment, Inc., 171775

10-1-97 to 6-30-00, \$118,739.97

Action: Approve the redetermination as recommended by staff.

Quad Systems Corporation, 57117

7-1-95 to 9-30-98, \$138,653.11

Action: Approve the redetermination as recommended by staff.

**Wednesday, April 23, 2003**

**Environmental Tectonics Corporation, 134940**

4-1-97 to 12-31-00, \$865,551.71

Action: Approve the redetermination as recommended by staff.

**Film Video, 154793**

1-1-94 to 12-31-00, \$593,467.38

Action: Approve the redetermination as recommended by staff.

**Film Video, 154796**

1-1-93 to 12-31-93, \$109,429.05

Action: Approve the redetermination as recommended by staff.

**Larry Yglesia, 191215**

6-30-99 to 6-30-99, \$50,375.00

Action: Approve the redetermination as recommended by staff.

**Royce Leasing Company, LLC, 185643**

6-5-00, \$79,112.00

Action: Approve the redetermination as recommended by staff.

**Sierra Aviation, Inc., 171961**

4-26-01, \$133,650.00

Action: Approve the redetermination as recommended by staff.

**Crystal Yacht Charters, Inc., 194402**

2-7-01, \$152,625.00

Action: Approve the redetermination as recommended by staff.

**Jet Aviation California, Inc., 190072**

3-6-98, \$486,750.00

Action: Approve the redetermination as recommended by staff.

**California Window Coverings, 168217**

7-1-98 to 9-30-01, \$73,929.55

Action: Approve the redetermination as recommended by staff.

**Systemware, Inc., 171105**

7-1-96 to 9-30-00, \$53,806.56

Action: Approve the redetermination as recommended by staff.

**Bombardier Capital, Inc., 61484**

1-1-95 to 12-31-97, \$1,215,637.51

Action: Approve the redetermination as recommended by staff.

Wednesday, April 23, 2003

Atlanta Retail, Inc., 152308

1-1-96 to 6-20-01, \$138,467.80

Action: Approve the redetermination as recommended by staff.

Wheaton USA, Inc., 145179

10-01-96 to 3-31-00, \$239,359.16

Action: Approve the redetermination as recommended by staff.

Fresh Choice, Inc., 209661

4-1-02 to 6-30-02, \$50,277.10

Action: Approve the relief of penalty as recommended by staff.

The Goodyear Tire & Rubber Company, 211711

8-1-02 to 8-31-02, \$51,722.70

Action: Approve the relief of penalty as recommended by staff.

Network Appliance Corporation, 209663

10-1-02 to 10-31-02, \$54,840.00

Action: Approve the relief of penalty as recommended by staff.

Atherton Wine Imports, 168974

1-1-01 to 6-30-02, \$57,437.78

Action: Approve the denial of claim for refund as recommended by staff.

University Mechanical & Engineering Contractors, 113312

10-1-00 to 12-31-00, \$60,084.00

Action: Approve the denial of claim for refund as recommended by staff.

The Board recessed at 5:20 p.m. and reconvened at 5:35 p.m. with Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel present.

### **SALES AND USE TAX MATTERS, CREDITS, CANCELLATIONS AND REFUNDS, CONSENT**

Mr. Chiang announced for the record he would not be participating in this matter and left the Board room.

With respect to the Sales and Use Tax Matters, Credits, Cancellations and Refunds, Consent Agenda, upon a single motion of Mr. Leonard, seconded by Ms. Mandel and unanimously carried, Mr. Parrish, Mr. Leonard and Ms. Mandel voting yes, Mr. Chiang not participating under Government Code section 87105, Ms. Migden absent, the Board made the following orders:

**Wednesday, April 23, 2003**

**Kenwood U.S.A. Corporation, 212484**

1-1-02 to 3-31-02, \$104,210.79

Action: Approve the credit and cancellation as recommended by staff.

**Tenet Healthsystems Hospital, Inc., 212700**

7-1-96 to 6-30-99, \$130,416.96

Action: Approve the credit and cancellation as recommended by staff.

**Anthony S. Pauletta, 208408**

4-1-98 to 12-31-99, \$76,806.60

Action: Approve the credit and cancellation as recommended by staff.

**Fron Corporation, 213207**

10-01-01 to 1-12-02, \$55,066.30

Action: Approve the credit and cancellation as recommended by staff.

**Multilayer Technology, Inc., 212526**

10-01-01 to 12-31-01, \$176,451.00

Action: Approve the credit and cancellation as recommended by staff.

**Vic Huber Photography, Inc., 212473**

7-1-00 to 9-30-00, \$60,305.29

Action: Approve the credit and cancellation as recommended by staff.

**Merant Solutions, Inc., 136894**

10-1-95 to 4-30-99, \$624,928.38

Action: Approve the credit and cancellation as recommended by staff.

**The Hammond Family Trust, 212030**

7-13-98 to 7-13-98, \$163,663.39

Action: Approve the credit and cancellation as recommended by staff.

**H. S. Rhoads, 212588**

8-23-99, \$232,690.14

Action: Approve the credit and cancellation as recommended by staff.

**Ocean Pegasus, Inc., 209476**

4-28-00, \$127,146.52

Action: Approve the credit and cancellation as recommended by staff.

**Agua Caliente Spa, Inc., 212356**

11-1-92 to 6-26-94, \$122,675.69

Action: Approve the credit and cancellation as recommended by staff.



**Wednesday, April 23, 2003**

**Agua Caliente Tribal Corporation, 212353**

7-1-94 to 6-30-97, \$561,428.24

Action: Approve the credit and cancellation as recommended by staff.

**J. A. Sexauer, Inc., 187067**

1-1-98 to 9-30-00, \$88,475.60

Action: Approve the credit and cancellation as recommended by staff.

**Promotions Distributor Services Corporation, 212013**

7-1-98 to 9-30-02, \$128,201.81

Action: Approve the refund as recommended by staff.

**Chevron U.S.A., Inc., 174613**

10-1-98 to 12-31-00, \$281,635.89

Action: Approve the refund as recommended by staff.

**Claridge's Ltd., 186971**

10-1-00 to 12-31-00, \$86,999.02

Action: Approve the refund as recommended by staff.

**Bingham Toyota, Inc., 187589**

4-1-02 to 6-30-02, \$75,759.60

Action: Approve the refund as recommended by staff.

**Allergan, Inc., 56044**

1-1-97 to 12-31-99, \$64,272.67

Action: Approve the refund as recommended by staff.

**Allergan Sales, Inc., 211917**

1-1-00 to 12-31-00, \$87,226.49

Action: Approve the refund as recommended by staff.

**Fender Musical Instruments Corporation, 166710**

1-1-99 to 12-31-01, \$183,191.36

Action: Approve the refund as recommended by staff.

**The Regents of the U. of California, 171099**

10-1-96 to 12-31-00, \$701,291.03

Action: Approve the refund as recommended by staff.

**Metropolitan Transit Devlmt. Bd., 170743**

10-1-00 to 12-31-00, \$142,100.02

Action: Approve the refund as recommended by staff.

Wednesday, April 23, 2003

Quality Distributing, Inc., 192711

12-16-01 to 4-6-02, \$52,332.22

Action: Approve the refund as recommended by staff.

Surinder Pal Singh, 192024

10-1-01 to 12-31-01, \$54,255.20

Action: Approve the refund as recommended by staff.

Boreal Ridge, Inc., 162302

10-1-99 to 6-30-02, \$146,104.09

Action: Approve the refund as recommended by staff.

The Boeing Company, 166545

10-01-99 to 9-30-00, \$58,199.73

Action: Approve the refund as recommended by staff.

Doane Pet Care Company, 145369

7-1-89 to 9-30-01, \$69,930.14

Action: Approve the refund as recommended by staff.

UMI Company, 194153

7-1-01 to 9-30-01, \$82,930.53

Action: Approve the refund as recommended by staff.

Enthone-OMI, Inc., 205711

10-1-01 to 6-30-02, \$74,640.88

Action: Approve the refund as recommended by staff.

River Ranch Fresh Foods, 97936

7-1-98 to 12-31-99, \$94,112.04

Action: Approve the refund as recommended by staff.

Fordel, Inc., 145363

7-1-98 to 9-30-01, \$52,871.03

Action: Approve the refund as recommended by staff.

Mellon Capital Management Corporation, 209776

7-1-99 to 3-31-02, \$60,978.37

Action: Approve the refund as recommended by staff.

UCSF – Stanford Health Care, 161608

1-1-99 to 6-30-00, \$144,816.74

Action: Approve the refund as recommended by staff.

**Wednesday, April 23, 2003**

**Hitachi Semiconductor (Amer.), Inc., 172714**

7-1-01 to 12-31-01, \$119,686.37

Action: Approve the refund as recommended by staff.

**Siemens Westinghouse Power Corporation, 181899**

10-1-00 to 9-30-02, \$55,898.24

Action: Approve the refund as recommended by staff.

**Man Roland, Inc., 187602**

10-1-01 to 12-31-01, \$151,287.15

Action: Approve the refund as recommended by staff.

**SSF Attractions, Inc., 211963**

6-15-99 to 6-30-02, \$69,780.89

Action: Approve the refund as recommended by staff.

**Miller/Huber Relationship Mkt., LLC, 83307**

9-1-99 to 3-31-00, \$135,374.28

Action: Approve the refund as recommended by staff.

**Spectraswitch, Inc., 164984**

1-1-99 to 12-31-01, \$78,748.48

Action: Approve the refund as recommended by staff.

**WFS Financial, Inc., 211740**

1-1-00 to 12-31-01, \$2,303,199.89

Action: Approve the refund as recommended by staff.

**Canal+ Technologies, Inc., 153294**

7-1-01 to 9-30-01, \$64,932.90

Action: Approve the refund as recommended by staff.

**South County, Inc., 193078**

7-1-02 to 9-30-02, \$158,623.54

Action: Approve the refund as recommended by staff.

**Kraft General Foods, 89002089980**

10-01-94 to 12-31-97, \$162,586.04

Action: Approve the refund as recommended by staff.

**The Stanley Works, 140025**

1-1-98 to 3-31-99, \$259,348.94

Action: Approve the refund as recommended by staff.

Wednesday, April 23, 2003

Aspen Publishers, Inc., 211782

10-1-97 to 12-31-00, \$381,872.25

Action: Approve the refund as recommended by staff.

Miller/Kadanoff Dir. &amp; Inter, Inc., 83331

4-1-97 to 8-31-99, \$297,612.81

Action: Approve the refund as recommended by staff.

Synplicity, Inc., 182402

1-1-99 to 6-30-02, \$71,929.55

Action: Approve the refund as recommended by staff.

Container Management Services, LLC, 190714

7-1-99 to 6-30-02, \$62,478.70

Action: Approve the refund as recommended by staff.

General Mills Operations, Inc., 145352

7-1-98 to 9-30-01, \$180,808.16

Action: Approve the refund as recommended by staff.

Heritage Operating LP, 207989

4-1-99 to 3-31-92, \$52,452.57

Action: Approve the refund as recommended by staff.

Abiomed Cardiovascular, Inc., 144774

7-1-97 to 6-30-00, \$52,364.55

Action: Approve the refund as recommended by staff.

Americredit Financial Service, Inc., 208971

4-1-02 to 6-30-02, \$1,473,564.26

Action: Approve the refund as recommended by staff.

Southwestern Bell Mobile Sys. LLC, 187578

4-1-02, \$6-30-0263,607.31

Action: Approve the refund as recommended by staff.

Ciro's &amp; Sons Pallets, 212014

5-3-00 to 3-31-02, \$51,496.50

Action: Approve the refund as recommended by staff.

The Doctors Management Company, 208819

4-1-99 to 6-30-02, \$66,774.57

Action: Approve the refund as recommended by staff.

Wednesday, April 23, 2003

Seeley Brothers, 209623

7-1-99 to 6-30-02, \$98,101.71

Action: Approve the refund as recommended by staff.

**SPECIAL TAXES MATTERS, RELIEF OF PENALTIES AND REDETERMINATIONS, CONSENT**

The Board deferred consideration of the following matter: *Fireman's Fund Insurance Company, 167605.*

With respect to the Special Taxes Matters, Relief of Penalties and Redeterminations, Consent Agenda, upon a single motion of Mr. Parrish seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard and Mr. Chiang voting yes, Ms. Mandel not participating in accordance with Government Code section 7.9, Ms. Migden absent, the Board made the following orders:

Security Life of Denver, Insurance Company, 205491

10-01-02 to 12-31-02, \$62,149.40

Action: Approve the relief of penalty as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Fortum Oil and Gas Oy, 165533

1-1-01 to 12-31-01, \$129,926.11

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating.

Wickland Oil Company, 165297

1-1-01 to 12-31-01, \$79,422.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating.

Old Republic Insurance Company, 171997

1-1-97 to 12-31-97, \$394,638.45

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Fremont Indemnity Company of the NW, 207765

1-1-97 to 12-31-97, \$190,974.08

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Sentry Insurance, A Mutual Company, 167909

1-1-97 to 12-31-97, \$98,275.41

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Wednesday, April 23, 2003

**American and Foreign Insurance Company, 167512**

1-1-97 to 12-31-97, \$66,991.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**American Casualty Company of Reading, Pennsylvania, 167748**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Boston Old Colony Insurance Company, 167751**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**CNA Casualty of California, 167753**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Commercial Insurance Company of Newark, New Jersey, 167755**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Continental Casualty Company, 167763**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**The Continental Insurance Company, 167767**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**The Fidelity & Casualty Company of New York, 167769**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Wednesday, April 23, 2003**

**Firemen's Insurance Company of Newark, New Jersey, 167771**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Kansas City Fire & Marine Insurance Company, 167774**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**National Fire Insurance Company of Hartford, 167776**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Niagara Fire Insurance Company, 167778**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Transcontinental Insurance Company, 167780**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Transportation Insurance Company, 167783**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Valley Forge Insurance Company, 167792**

1-1-97 to 12-31-97, \$1,820,668.89

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Travelers Indemnity Company of IL, 167526**

1-1-97 to 12-31-97, \$1,676,519.77

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Travelers Indemnity Company of CT, 167527**

1-1-97 to 12-31-97, \$1,676,519.77

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Wednesday, April 23, 2003

**American Manufacturers Mutual Insurance, 167673**

1-1-97 to 12-31-97, \$1,542,717.91

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**American Motorists Insurance Company, 167672**

1-1-97 to 12-31-97, \$1,542,717.91

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**American Protection Insurance Company, 167677**

1-1-97 to 12-31-97, \$1,542,717.91

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Lumbermens Mutual Casualty Company, 167669**

1-1-97 to 12-31-97, \$1,542,717.91

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Ace American Insurance Company, 167538**

1-1-97 to 12-31-97, \$1,259,013.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Ace Fire Underwriters Insurance Company, 167539**

1-1-97 to 12-31-97, \$1,259,013.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Ace Indemnity Insurance Company, 167545**

1-1-97 to 12-31-97, \$1,259,013.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Ace Property & Casualty Insurance Company, 167544**

1-1-97 to 12-31-97, \$1,259,013.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.



**Wednesday, April 23, 2003**

**Bankers Standard Insurance Company, 167547**

1-1-97 to 12-31-97, \$1,259,013.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Century Indemnity Company, 167549**

1-1-97 to 12-31-97, \$1,259,013.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Indemnity Insurance Company of North America, 167550**

1-1-97 to 12-31-97, \$1,259,013.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Insurance Company of North America, 167551**

1-1-97 to 12-31-97, \$1,259,013.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Pacific Employers Insurance Company, 167537**

1-1-97 to 12-31-97, \$1,259,013.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**First Liberty Insurance Corporation, 167740**

1-1-97 to 12-31-97, \$1,038,655.20

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Liberty Insurance Corporation, 167706**

1-1-97 to 12-31-97, \$1,038,655.20

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Liberty Mutual Fire Insurance Company, 167702**

1-1-97 to 12-31-97, \$1,038,655.20

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Liberty Mutual Insurance Company, 167708**

1-1-97 to 12-31-97, \$1,038,655.20

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Wednesday, April 23, 2003**

**LM Insurance Corporation, 167707**

1-1-97 to 12-31-97, \$1,038,655.20

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Reliance Insurance Company, 167555**

1-1-97 to 12-31-97, \$889,790.68

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Reliance National Indemnity Company, 167557**

1-1-97 to 12-31-97, \$889,790.68

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Reliance National Insurance Company, 167558**

1-1-97 to 12-31-97, \$889,790.68

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**United Pacific Insurance Company, 167556**

1-1-97 to 12-31-97, \$889,790.68

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Hartford Underwriters Insurance Company, 167501**

1-1-97 to 12-31-97, \$581,460.99

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**AIU Insurance Company, 168134**

1-1-97 to 12-31-97, \$568,671.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**American Home Assurance Company, 168152**

1-1-97 to 12-31-97, \$568,671.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Wednesday, April 23, 2003**

**Birmingham Fire Insurance Company of Pennsylvania, 168151**

1-1-97 to 12-31-97, \$568,671.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Commerce & Industry Insurance Company, 168156**

1-1-97 to 12-31-97, \$568,671.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Granite State Insurance Company, 168142**

1-1-97 to 12-31-97, \$568,671.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**The Insurance Company of the State of Pennsylvania, 168137**

1-1-97 to 12-31-97, \$568,671.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**National Union Fire Insurance Company of Pittsburgh. PA, 168172**

1-1-97 to 12-31-97, \$568,671.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**New Hampshire Insurance Company, 168139**

1-1-97 to 12-31-97, \$568,671.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Amer Guarantee & Liability Insurance Company, 167803**

1-1-97 to 12-31-97, \$377,431.13

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Assurance Company of America, 167806**

1-1-97 to 12-31-97, \$377,431.13

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Fidelity & Deposit Company of Maryland, 167809**

1-1-97 to 12-31-97, \$377,431.13

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

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**Maryland Casualty Company, 167804**

1-1-97 to 12-31-97, \$377,431.13

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Northern Insurance Company of New York, 167805**

1-1-97 to 12-31-97, \$377,431.13

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Universal Underwriters Insurance Company, 167810**

1-1-97 to 12-31-97, \$377,431.13

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Valiant Insurance Company, 167808**

1-1-97 to 12-31-97, \$377,431.13

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Converium Insurance (North America), Inc., 167524**

1-1-97 to 12-31-97, \$377,431.13

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Farmington Casualty Company, 167563**

1-1-97 to 12-31-97, \$331,254.49

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Standard Fire Insurance Company, 167600**

1-1-97 to 12-31-97, \$331,254.49

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Travelers Casualty & Surety Company of America, 167599**

1-1-97 to 12-31-97, \$331,254.49

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Wednesday, April 23, 2003**

**Travelers Casualty & Surety Company IL, 167596**

1-1-97 to 12-31-97, \$331,254.49

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Travelers Casualty & Surety Company, 167601**

1-1-97 to 12-31-97, \$331,254.49

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Travelers Casualty Company of CT, 167598**

1-1-97 to 12-31-97, \$331,254.49

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Nationwide Mutual Fire Insurance Company, 170156**

1-1-97 to 12-31-97, \$256,886.71

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Nationwide Mutual Insurance Company, 170155**

1-1-97 to 12-31-97, \$256,886.71

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**American Automobile Insurance Company, 167606**

1-1-97 to 12-31-97, \$207,158.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**American Insurance Company, 167608**

1-1-97 to 12-31-97, \$207,158.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Associated Indemnity Corporation, 167607**

1-1-97 to 12-31-97, \$207,158.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Fireman's Fund Insurance Company, 167605**

1-1-97 to 12-31-97, \$207,158.78

Action: The Board deferred consideration of this matter.

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**National Surety Corporation, 167610**

1-1-97 to 12-31-97, \$207,158.78

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Fremont Employers Insurance Company, 207767**

1-1-97 to 12-31-97, \$190,974.08

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Fremont Indemnity Company, 207760**

1-1-97 to 12-31-97, \$190,974.08

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Discover Property & Casualty Insurance, 167696**

1-1-97 to 12-31-97, \$144,559.50

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Northbrook Indemnity Company, 167511**

1-1-97 to 12-31-97, \$144,569.50

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Northbrook Property & Casualty, 167698**

1-1-97 to 12-31-97, \$144,569.50

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**St. Paul Fire & Marine Insurance Company, 167682**

1-1-97 to 12-31-97, \$144,569.50

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**St. Paul Guardian Insurance Company, 167697**

1-1-97 to 12-31-97, \$144,569.50

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**St. Paul Mercury Insurance Company, 167681**

1-1-97 to 12-31-97, \$144,569.50

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Wednesday, April 23, 2003**

**Globe Indemnity Company, 167513**

1-1-97 to 12-31-97, \$66,991.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Royal Indemnity Company, 167514**

1-1-97 to 12-31-97, \$66,991.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Royal Insurance Company of America, 167515**

1-1-97 to 12-31-97, \$66,991.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Safeguard Insurance Company, 167520**

1-1-97 to 12-31-97, \$66,991.48

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Argonaut Insurance Company, 209298**

1-1-97 to 12-31-97, \$66,564.90

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Argonaut-Southwest Insurance Company, 205470**

1-1-97 to 12-31-97, \$66,564.90

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Hartford Insurance Company of the Midwest, 167508**

1-1-97 to 12-31-97, \$62,715.43

Action: Approve the redetermination as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Wednesday, April 23, 2003

**SPECIAL TAXES MATTERS, CREDITS, CANCELLATIONS AND REFUNDS,  
CONSENT**

With respect to the Special Taxes Matters, Credits, Cancellations and Refunds, Consent Agenda, upon a single motion of Mr. Parrish, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, Mr. Chiang not participating in *The Boeing Company, 208243*, Ms. Mandel not participating in accordance with Government Code section 7.9 in *American Home Assurance Company, 209983 and Mark Anthony Brands, Inc., 205622*, the Board made the following orders:

Union Pacific Railroad Company, 113106

1-1-98 to 12-31-98, \$58,828.00

Action: Approve the credit and cancellation as recommended by staff.

Thrifty Payless, Inc., 209580

2-26-03 to 4-25-03, \$81,873.35

Action: Approve the refund as recommended by staff.

Thrifty Payless, Inc., 209577

2-26-03 to 4-25-03, \$78,474.62

Action: Approve the refund as recommended by staff.

Thrifty Payless, Inc., 209810

2-2-03 to 4-25-03, \$77,621.07

Action: Approve the refund as recommended by staff.

American Procurement & Lgstcs Company, 209575

1-26-03 to 4-25-03, \$67,922.16

Action: Approve the refund as recommended by staff.

American Procurement & Lgstcs Company, 209811

2-26-03 to 4-25-03, \$50,756.95

Action: Approve the refund as recommended by staff.

Thrifty Payless, Inc., 209806

2-26-03 to 4-25-03, \$55,837.32

Action: Approve the refund as recommended by staff.

The Boeing Company, 208243

1-1-00 to 12-31-02, \$71,772.40

Action: Approve the refund as recommended by staff. Mr. Chiang not participating.



**Wednesday, April 23, 2003**

Safety-Kleen Systems, Inc., 205065

1-1-01 to 12-31-02, \$101,750.16

Action: Approve the refund as recommended by staff.

American Home Assurance Company, 209983

1-1-01 to 12-31-01, \$573,656.16

Action: Approve the refund as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Mark Anthony Brands, Inc., 205622

4-1-02 to 11-30-02, \$208,434.30

Action: Approve the refund as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Avfuel Corporation, 192018

1-1-02 to 1-31-02, \$92,715.16

Action: Approve the refund as recommended by staff.

## **PROPERTY TAX MATTERS NOT SUBJECT TO CONTRIBUTION DISCLOSURE STATUTE**

With respect to the Property Taxes Matters Not Subject to Contributions Disclosure Statute Agenda, upon a single motion of Mr. Chiang, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard and Mr. Chiang voting yes, Ms. Mandel not participating in accordance with Government Code section 7.9, Ms. Migden absent, the Board made the following orders:

### **Audit**

MPower Communications Corporation (7724)

1999, (\$18,900,000.00) Escaped Assessment

2000, (\$10,000,000.00) Escaped Assessment

2001, \$16,900,000.00 Escaped Assessment, \$1,690,000.00 Penalty, \$2,535,000.00 Assessment

In-Lieu Interest

2002, \$16,100,000.00 Escaped Assessment

Action: Adopt the audit escaped assessment, plus penalties and assessment in lieu of interest as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

### **Private Railroad Car Tax Penalty Cancellation Request**

Cargill, Inc. (6233)

2002, \$2,426.89

Action: Grant the petition for cancellation of the penalty as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Wednesday, April 23, 2003

**Private Railroad Car Tax Refund Request**

Honeywell International, Inc. (500)

2001, \$329.63

Action: Grant the petition for refund as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Intercoastal Leasing, Inc. (6195)

2002, \$4,844.76

Action: Grant the petition for refund as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

Mr. Parrish adjourned the Board meeting at 5:40 p.m. in memory of Celese King, III, General in the California National Guard, also in memory of Ms. Migden's father.

*The foregoing minutes are adopted by the Board on May 28, 2003.*

Note: The following cases were removed from the calendar prior to the meeting: *The McGraw-Hill Companies, Inc.*, 162177; *Mercury General Corporation*, 145450; and, *Bobby R. and Mary H. Boydston*, 37252, 37254